

**MINUTES OF THE COMMITTEE
ON
INSURANCE**

Thursday, June 22, 2006

9:00 a.m.

Room 521 House Office Building

The House Standing Committee on Insurance was called to order by the Chair.

Members present: Reps. Hune, Robertson, Gaffney, Sheen, Ball, Hildenbrand, David Law, Marleau, Mortimer, Hunter, Adamini, Leland, Anderson, Wojno, Condino, Farrah.

Members absent/excused: Rep. Emmons.

Representative Gaffney moved to approve the minutes of the June 15, 2006 meeting.

Representative Farrah supported the motion. There being no objection, the motion prevailed by unanimous consent.

The Chair laid HB 6098 before the committee.

HB 6098 Hune Insurance; other; producers charging certain administrative fees; provide for.

Carmel Roberts and Greg Rummel of the Michigan Association of Insurance Agents testified in support of the bill. Questions and discussion among committee members followed.

Brian Sydnor of the Office of Financial and Insurance Services testified in support of the bill.

Steve Collins of Burns and Wilcox LTD submitted a card in support of the bill, but did not wish to testify.

George Carr of the National Association of Insurance and Financial Advisors of Michigan submitted a card indicating a neutral position on the bill, but did not wish to testify.

Representative Hune offered the following amendment to HB 6098:

1. Amend page 2, following line 5, by inserting:

"(3) NOTWITHSTANDING SUBSECTIONS (1) AND (2), AN INSURANCE PRODUCER MAY CHARGE AN ADMINISTRATIVE FEE IN CONNECTION WITH A TRANSACTION OF SURPLUS LINES INSURANCE IN SUCH AMOUNT AS THE INSURANCE PRODUCER CONSIDERS APPROPRIATE.

Enacting section 1. Section 1915 of the insurance code of 1956, 1956 PA 218, MCL 500.1915, is repealed."

Representative Gaffney moved to adopt the amendment. Representative Hildenbrand supported the motion. **The motion prevailed 14-0-0.**

FAVORABLE ROLL CALL

Yeas: Reps. Hune, Gaffney, Sheen, Ball, Hildenbrand, David Law, Marleau, Mortimer, Hunter, Leland, Anderson, Wojno, Condino, Farrah.

Nays: None.

Pass: None.

Representative Robertson moved to report HB 6098 with recommendation as amended, as substitute (H-1). Representative Leland supported the motion. **The motion prevailed 15-0-0.**

FAVORABLE ROLL CALL

Yeas: Reps. Hune, Robertson, Gaffney, Sheen, Ball, Hildenbrand, David Law, Marleau, Mortimer, Hunter, Leland, Anderson, Wojno, Condino, Farrah.

Nays: None.

Pass: None.

The Chair laid HB 6238 before the committee.

HB 6238 Kahn Insurance; other; penalties for fraud; increase.

Brian Sydnor of the Office of Financial and Insurance Services submitted a card in support of the bill, but did not wish to testify.

The Chair laid HB 4020 before the committee.

HB 4020 Kahn Insurance; other; cost containment or fee schedules for medical providers rendering services in the care of accident victims; establish.

Representative Roger Kahn, sponsor of HB 4020, testified in support of the bill. Questions and discussion among committee members followed.

Representative Hildenbrand moved to adopt substitute (H-5) for HB 4020. Representative Robertson supported the motion. **The motion prevailed 15-0-0.**

FAVORABLE ROLL CALL

Yeas: Reps. Hune, Robertson, Gaffney, Sheen, Ball, Hildenbrand, David Law, Marleau, Mortimer, Hunter, Leland, Anderson, Wojno, Condino, Farrah.

Nays: None.

Pass: None.

Brian Sydnor and Fran Wallace of the Office of Financial and Insurance Services testified in opposition to the bill. Questions and discussion among committee members followed.

Peter Kuhnmuensch of the Insurance Institute of Michigan testified in support of the bill.

Carl Alden of the Michigan Chiropractic Society testified in opposition to the bill.

Doug Borruso, representing the Michigan Osteopathic Association and the Coalition To Protect Auto No-Fault, testified in opposition to the bill.

The following individuals submitted cards in support of the bill, but did not wish to testify:

Nell Kuhnmuench, representing Titan Insurance.
Larry Kish of Life Insurance Association of Michigan.
Vickie Neal of the National Insurance Crime Bureau.
Nell Kuhnmuench and Bill Zaagman, representing AIG Insurance.
Deidra Wilson of Blue Cross and Blue Shield of Michigan.
Rob Anderson of Farm Bureau Insurance.
Jim Miller of the Michigan Insurance Coalition.

The following individuals submitted cards in opposition to the bill, but did not wish to testify:

Terry Vander Veen, representing the Michigan College of Emergency Physicians and the Michigan Physical Therapy Association.
Colin Ford of the Michigan State Medical Society.
Bill Kandler of the Michigan Orthopedic Society.

Representative Robertson moved to report HB 4020 with recommendation as substitute (H-5). Representative Hildenbrand supported the motion. **The motion prevailed 11-0-5.**

FAVORABLE ROLL CALL

Yeas: Reps. Hune, Robertson, Gaffney, Sheen, Ball, Hildenbrand, David Law, Marleau, Mortimer, Anderson, Condino.

Nays: None.

Pass: Reps. Hunter, Adamini, Leland, Wojno, Farrah.

Representative Condino moved to report the absence of Representative Emmons. Representative Gaffney supported the motion. There being no objection, the motion prevailed by unanimous consent.

There being no further business before the committee, the Chair adjourned the meeting at 9:52 a.m.

Representative Joe Hune, Chair _____

Dan Stump, Committee Clerk.
House Insurance Committee, (517) 373-5795